

Message Text

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ORIGIN EA-14

INFO OCT-01 ISO-00 CG-00 DOTE-00 SS-20 NSC-07 NSCE-00

CIAE-00 DODE-00 INR-10 NSAE-00 PA-04 RSC-01 USIA-15

PRS-01 SP-03 /076 R

DRAFTED BY EA/P:STAFF:PP

APPROVED BY EA/P:AHROSEN

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R 142209Z MAY 74

FM SECSTATE WASHDC

TO AMEMBASSY SAIGON

INFO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS

AMCONSUL BIEN HOA

AMCONSUL CAN THO

AMCONSUL DANANG

AMCONSUL HONG KONG

AMCONSUL NHA TRANG

USDEL JEC PARIS

USSAGE

CINCPAC

COGARD

XMT AMEMBASSY SUVA

UNCLAS STATE 100216

COGARD FOR POLAD

E.O. 11652: N/A

TAGS: PFOR, XC, US

SUBJECT: MAY 14 EA PRESS SUMMARY

INDOCHINA

1. GETLER (WP) WRITES OF REPORT TO CONGRESS BY
PANEL OF FORMER DOD OFFICIALS HEADED BY EX-ASST
SECDEF WARNKE. REPORT CHALLENGES US POLICY IN SEVERAL
AREAS, URGES CONGRESS MAKE HEAVY CUTS IN FY 75 DOD
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BUDGET INCLUDING ELIMINATION OF ESTIMATED THREE
DIVISIONS, EIGHT AIR WINGS AND AIRCRAFT CARRIER
COMMITTED TO "ASIAN INTERVENTION" SINCE VN SHOWED
"FOLLY" OF US LAND WAR IN ASIA. RECOMMENDS WITHDRAWAL

OF 36,000 REMAINING AIRMEN IN THAILAND AND ARMY DIVISION IN SK, SAYING THAT SK WOULD STILL RETAIN ADVANTAGE OVER NK, AND AIR AND SEA POWER WOULD REFLECT CONTINUED US INTEREST. GETLER COMMENTS THAT PENTAGON LISTS 172,000 MEN IN ASIA, WITH 10,000 OF THOSE IN THAILAND DUE OUT BY YEAR'S END. ON INDOCHINA, PANEL ARGUES THAT PLANNED TWO BILLION IN MIL AID TO SVN, LAOS AND CAMBODIA BE CUT TO 500 MILLION SINCE PROPOSALS TO INCREASE AID CONTRIBUTE TO "OBDURACY AND HOSTILITIES" BY GVN RATHER THAN SEARCH FOR NON-MIL SOLUTIONS.

2. GVN SPOKESMAN IN INTERVIEW DENIES UPI REPORT

THAT HE ACCUSED NYT OF THREATENING TO WRITE UNFAVORABLE STORY IF VC DELEGATION AT SAIGON NOT PERMITTED TO RESUME NEWS CONFERENCES. SAYS THAT HE HAD RESPONDED TO "HYPOTHETICAL" QUESTION ABOUT PURPORTED THREAT BY FOREIGN CORRESPONDENT TO WRITE HOSTILE STORY IF VC NEWS CONFERENCES NOT PERMITTED TO RESUME, BY SAYING GVN WOULD NOT TOLERATE SUCH BLACKMAIL AND WOULD EXPEL "SUCH A CORRESPONDENT" IN 48 HOURS; HE DID NOT HAVE NYT IN MIND WHEN HE MADE STATEMENT. UPI SAIGON BUREAU CHIEF STANDS BEHIND VIET REPORTER WHO SAID THAT SPOKESMAN IDENTIFIED PAPER AS NYT WHEN HE TALKED TO HIM IMMEDIATELY AFTER THE BRIEFING. SEVERAL SVN NEWS ORGANIZATIONS IDENTIFIED OTHER PAPERS AS PRESUMED TARGET, AND NYT SAIGON BUREAU CHIEF MARKHAM SAYS THAT NO ONE IN HIS BUREAU MADE ANY THREATS TO GVN (NYT).

3. CANADA ANNOUNCES IT WILL WITHDRAW ITS DELEGATION TO LAOS ICC. OTTAWA OFFICIAL SAYS PULLOUT STEMS FROM "FRUSTRATION WITH OUR EXPERIENCE IN INDOCHINA." CANADIAN EMBASSY OFFICIAL SAYS COUNTRY'S VIEW IS THAT RECENT C-F ALTERS ICC WORKING TERMS AND THAT MEMBERS SHOULD HAVE BEEN ASKED IF THEY WANTED TO CONTINUE. US OFFICIAL SEES CANADIAN ACTION AS "UNFORTUNATE UNCLASSIFIED

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BUT NOT DEVASTATING," SINCE BOTH SIDES IN LAOS SHOW SIGNS OF WANTING C-F TO WORK (WP).

4. GVN SPOKESMAN ATTEMPTS TO COUNTER LOCAL PRESS SPECULATION ABOUT ANOTHER HAK-THO MEETING (REUTER, WP).

5. VC SUSPEND PARIS POLITICAL TALKS FOLLOWING GVN BOYCOTT OF TALKS SINCE APRIL 16 DUE TO ALLEGED STEPPED-UP COMMUNIST ATTACKS IN SVN (CSM; AP CHITRIB, NY POST 5/13). EACH SIDE ACCUSES OTHER OF SYSTEMATIC SABOTAGE OF NEGOTIATIONS (REUTER WP, SUN). FLORA LEWIS (NYT) IN PARIS RECOUNTS EVENTS LEADING UP TO

BREAK IN TALKS, QUOTES VC DELEGATION CHIEF THAT HE PLANS TO LEAVE PARIS SHORTLY, AND COMMENTS THAT PHRASE IN VC STATEMENT ANNOUNCING BREAK SEEMS TO INDICATE THAT HE WOULD RETURN IF AGREEMENT REACHED ON TERMS. LEWIS OBSERVES THAT BOTH SIDES "HAVE NEVER AGREED ON A SINGLE STEP" TOWARD POLITICAL AGREEMENT; SAYS CONDITIONS SET BY THEM ARE FLATLY CONTRADICTORY, AND SEES LITTLE PROSPECT THAT THEY WILL ALTER POSITIONS.

6. REUTER SAIGON QUOTES MIL SOURCES THAT AIR AMERICA C-123 AND VNAF C-47 CRASH IN SEPARATE INCIDENTS NEAR KHMER BORDER. C-123 CRASHED FROM UNKNOWN CAUSES NEAR TAY NINH CITY, FOUR CREWMEN INJURED; VNAF C-47

HIT BY GROUND FIRE IN SAME GENERAL AREA; CRASH KILLED TWO.

7. KHMER PARLIAMENT VOTES TO ALLOW PRIVATE NEWSPAPERS TO RESUME PUBLISHING. PAPERS WERE CLOSED DOWN IN MARCH 1973 AFTER PERIOD OF POLITICAL UNREST (AP, WP).

8. REBELS KEEP UP PRESSURE ON KOMPONG THOM, KOMPONG SOM, LONG VEK AND PREY VENG (AP, BALTO N-A 5/13). REBELS REPORTEDLY MOVING TOWARD GKR OIL REFINERY SEVEN MILES FROM KOMPONG SOM; OVER 800 GKR SOLDIERS AND CIVILIANS REPORTED KIA OR MIA IN PAST WEEK IN BATTLES AROUND KOMPONG SOM (NY POST 5/13). FIELD UNCLASSIFIED

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REPORTS SAY FANK THROWS BACK REBEL ASSAUL NINE MILES NORTH OF PP; REBELS ALSO HIT GARRISON NEAR PREY VENG (UPI, NYT). MIL SOURCES SAY REBELS SHELL KOMPONG THOM AS FANK AIRLIFTS IN OVER 700 TROOPS FROM KAMPOT AND MIL COMMANDER ARMS 2000 RESIDENTS TO STRENGTHEN FORCES (AP, WP).

CHINA

9. AP TOKYO REPORTS PEKING-BROADCAST CLAIM THAT SOUTH KOREAN FISHERMEN BEAT CHINESE FISHERMEN, RAMMED THEIR BOATS, STOLE THEIR CATCHES IN EAST CHINA SEA, AND "EVEN INTRUDED INTO CHINA'S TERRITORIAL WATERS FOR ILLEGAL ACTIVITIES" (PHINQ, S-N, BALTO N-A 5/13).

10. REUTER (5/13) NOTES MONDAY SPEECH BY PRC'S ECOSOC SOCIAL COMMITTEE DELEGATE WANG CRITICIZING "SUPERPOWERS" FOR PURSUING POLITICAL AIMS THAT THREATEN THIRD WORLD DEVELOPMENT. WANG SAID SO LONG AS IMPERIALISM EXISTS, THERE WILL BE WAR -- SO IT IS FALLACIOUS TO CONTEND WAR VIOLATES HUMAN RIGHTS.

11. IN PEKING, MARGARET JONES (LONDON FINANCIAL TIMES - UPI) CITES JANUARY REOPENING OF SOLE HOTEL BAR IN PEKING, AT HSIN CHIAO HOTEL. CLOSED DOWN DURING GPCR, FACILITY IS MODEST, BUT "TO FOREIGN COLONY RESIDENTS WAITING FOR APARTMENTS, WHO HAVE BEEN SPENDING EVENINGS IN BEDROOMS TRYING TO READ BY 20-WATT BULBS, THIS REPRESENTS PARADISE." PRC "MUST BE" WORLD'S MOST ABSTEMIOUS NATION, AND, OVERALL, CHINESE FOOD IS "UNQUESTIONABLY" WORLD'S BEST; HOWEVER, "BY 8 O'CLOCK A FOREIGN PARTY WILL CERTAINLY HAVE ANY RESTAURANT TO ITSELF" (BALTO N-A 5/13).

12. SATURDAY EARTHQUAKE IN SW CHINA DRAWS CONTINUING NOTICE (AP, NYPOST 5/13; SUN).

JAPAN

13. NYT'S HALLORAN, IN TOKYO FINDS ACCELERATING TREND TOWARD US-STYLE 5-DAY WORK WEEK IS INTENSELY UNCLASSIFIED

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CONTROVERSIAL, ALTHOUGH NOT BECAUSE ECONOMIC LEADERS FEAR DROP IN OUTPUT OR OTHER ECONOMIC DISASTER. SOME BUSINESSMEN WELCOME SHORTER WORK WEEK, BUT DO NOT KNOW WHAT TO DO WITH THEIR EXTRA DAY OFF. OTHERS WORRY THAT JAPANESE WILL LOSE THEIR FAMED WORK ETHIC, AND STILL OTHERS DEFEND EXTRA TIME OFF AS COMPENSATION DUE THEM FOR YEARS OF HARD WORK. CITES ONE EXECUTIVE'S CONCERN THAT TWO-DAY WEEKEND MAY HAVE EFFECT OF MAKING JAPANESE TOO SOFT; HE NOTED "WHAT HAPPENED IN AMERICA" -- DIFFERENCES BETWEEN TODAY AND 1930S-40S WHEN "AMERICANS WERE WORKHORSES."

14. JOC'S CULLISON, IN TOKYO, SAYS JAPANESE MANUFACTURERS OF CHEMICAL AND SYNTHETIC TEXTILES HOPE THAT DURING UPCOMING US-JAPAN NEGOTIATIONS ON TEXTILE AGREEMENT REVISION, US DELEGATION WILL AGREE TO LIBERALIZE EXPORT OF THEIR PRODUCTS TO US MARKET. TALKS, TO OPEN IN WASHINGTON MAY 27, ARE CONSIDERED TOP-PRIORITY BY JAPANESE TEXTILE INDUSTRY, AND LEADERS WITHIN INDUSTRY ARE ATTEMPTING TO DEVELOP COMMON POSITION ACCEPTABLE TO ALL SECTORS.

15. LAT'S JAMESON, IN TOKYO, SAYS SATURDAY'S CONFIRMATION THAT GOJ HAS TAKEN "UNPRECEDENTED STEP" OF INDIRECTLY WARNING ITS CITIZENS AGAINST TRAVELING TO SOUTH KOREA MARKS FIRST TIME TOKYO HAS ISSUED WARNING AGAINST TRAVELING TO NONWAR ZONE, AND APPEARS TO UNDERSCORE NEW LEVEL OF TENSIONS BETWEEN SEOUL AND TOKYO -- MAJOR SOURCE OF ECON AID TO SK. WHILE IMPACT ON HEAVY FLOW OF JAPANESE TOURISTS TO SK

CANNOT BE FORETOLD, POTENTIAL ECON DAMAGE TO SK APPEARS LARGE. JAPANESE CONTRIBUTED MOST OF 324 PERCENT IN TOURISM REVENUE SK RECORDED LAST YEAR. JAPANESE APPLYING FOR PASSPORTS TO SK WILL HENCEFORTH NOT ONLY BE ASKED TO READ COPIES OF TWO PARK DECREES PENALIZING CRITICISM OF SK CONSTITUTION AND BARRING AID TO SK DISSIDENTS, BUT THEY WILL BE INFORMED OF WARNING PASSED TO GOJ EMBASSY IN SEOUL THAT ALLEGED NK SPIES WERE PLANNING ACTS OF TERRORISM AGAINST

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JAPANESE IN SK. JAMESON SAYS THIS "UNUSUAL" SK WARNING ABOUT TERRORISM THREAT WAS MADE THROUGH OFFICIAL DIPLOMATIC CHANNELS. ROKG OFFICIALS ASKED THAT GOJ REFRAIN FROM ANNOUNCING IT OFFICIALLY, AND GOJ HAD COMPLIED.

KOREA

16. FROM PANMUNJOM, SUN'S SEIDEN REPORTS THAT AMIDST REMAINING HOSTILITY BETWEEN KOREAS, EACH YEAR ABOUT 20,000 TOURISTS -- MANY KOREAN WAR VETS -- COME TO PEER ACROSS TENSE BORDER "ON WHAT IS SURELY ONE OF THE WORLD'S STRANGEST GUIDED TOURS." TOUR USUALLY COSTS AROUND 9 DOLS, AND ANYONE CAN TAKE IT. TOURISTS MUST SIGN AGREEMENT NOT TO FRATERNIZE WITH PERSONS FROM COMMUNIST SIDE. ENEMY SOLDIERS SCOWL MENACINGLY AT EACH OTHER AS THEY PATROL MAIN NEGOTIATING BUILDING IN NEUTRAL AREA. GUIDE TELLS TOURISTS OF DISPUTE OVER LENGTH OF CHAIR LEGS AT BARGAINING TABLE, "BATTLE OF THE FLAGS," AND "GREAT DOVE CAPER" -- HIGHLIGHTS OF PANMUNJOM TALKS.

COMMENT AND ANALYSIS

CHINA

17. CHOU'S REDUCED ROLE IN VARIOUS STATE FUNCTIONS PROMPTS JOURNALISTIC CHINA-WATCHERS IN HK TO SPECULATE ON ITS MEANING. CHOU'S FAILURE TO APPEAR AT BANQUET GIVEN BY SENGHOR, GETTING EQUAL (RATHER THAN TOP) BILLING WITH A DEPUTY PREMIER DURING MAO'S MEETING WITH BHUTTO, PROMPTS S-N'S BRADSHER (MAY 13) TO EXPRESS VIEW THAT CHOU'S "ACTUAL IMPORTANCE IN CHINA HAS FADED FAR FROM WHAT THE WORLD LONG KNEW AND STILL IS INCLINED TO ASSUME." SUN'S ED WU, ON OTHER HAND, OBSERVES OFFICIAL MEDIA STILL GIVING CHOU, EXECUTOR OF DOMESTIC AND FOREIGN POLICY, SAME GLOWING TREATMENT HE HAS ALWAYS ENJOYED. WU SEES CHOU'S CURTAILED PARTICIPATION IN OFFICIAL ENGAGEMENTS AS NECESSITATED BY ADVANCING AGE, ADDING THAT FACTS HAVE

SHOWN THAT CHOU IS STILL FIRMLY IN CONTROL OF AFFAIRS
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OF STATE.

18. NYT'S LELYVELD EXPRESSES UNCERTAINTY WHETHER CHOU'S
WITHDRAWALS FROM ACTIVE ROLE IN VARIOUS STATE FUNCTIONS
IS VOLUNTARY OR UNDER PRESSURE. SAYS STRESS ON CHOU'S
AGE SUGGESTS THAT ABSENCES SIGNIFY MORE THAN TEMPORARY

INDISPOSITION. NOTES THAT PHOTO TAKEN DURING BHUTTO'S
MEETING WITH MAO SHOWED WHAT APPEARED TO BE SYMBOLIC
SHIFT IN RITUALISTIC SEATING ARRANGEMENT, WITH CHOU'S
INVARIABLE SEAT TO MAO'S RIGHT OCCUPIED BY TENG HSIAO-PING
CHOU SAT ON MAO'S LEFT, NEXT TO BHUTTO IN WHAT WAS STILL
A PLACE OF HONOR. FACT THAT THIS LEFT CHOU SITTING
CLOSER TO MAO THAN WANG HUNG-WEN, THIRD RANKING
FIGURE IN CP HIERARCHY, INDICATES CHOU STILL RANKS
NO. 2. AND WHEN CHOU CONFERRED WITH BHUTTO ON MAY
12, NCNA GAVE TENG EQUAL BILLING. LELYVELD NOTES
ALSO THAT CHOU'S PLACE WAS TAKEN BY ANOTHER DEPUTY
PREMIER, LI HSIEN-NIEN, AT EARLIER FUNCTION HONORING
SENGHOR. OBSERVES THAT CHANGE IN LEADERSHIP PATTERN
COMES IN MIDST OF ANTI-CONFUCIUS AND ANTI-LIN PIAO
CAMPAIGN WHICH SOME ANALYSTS BELIEVE IS DIRECTED
AGAINST CHOU; WHILE OTHERS HAVE MAINTAINED UNTIL
RECENTLY THAT CHOU WAS ACTUALLY DIRECTING CAMPAIGN.
SAYS WHETHER OR NOT CHOU IS EVER OPENLY ATTACKED,
SUDDEN WANING OF HIS STAMINA IS CLEAR INDICATION
THAT HE IS NOT PRIME FORCE BEHIND ANTI-CONFUCIUS
CAMPAIGN.

PRC PRESS TAKES PAINS TO INDICATE CHOU HAS NOT BEEN
DISGRACED; LATEST EXAMPLE WAS NCNA'S "UNUSUAL" DISPATCH
ON TEA BY HIS WIFE FOR SVN "WOMEN'S UNION FOR LIBERA-
TION."

19. OF CHOU'S REDUCED ACTIVITIES, WP'S GREENWAY
SAYS CHOU MIGHT WELL FEEL NEED TO SHARE SOME STATE
RESPONSIBILITIES REGARDLESS OF POLITICAL PRESSURES,
BUT NOTES THAT CURRENT POLITICAL CAMPAIGN SEEMS
MORE AND MORE A SERIOUS CHALLENGE TO HIS POLICIES
AS THE SHATTERED PARTY WHICH HE WORKED SO HARD TO
REBUILD AFTER THE GPCR AGAIN SHOWS SIGNS OF SEVERE
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DISUNITY AND STRESS. ONE VIEW POPULAR IN WASHINGTON
FOR A WHILE WAS THAT THERE WAS NO SERIOUS POLITICAL
THREAT TO CHOU AND THAT CAMPAIGN WAS IN FACT CHOU
MOVING IN STRENGTH AGAINST RADICAL LEFT. "IT WAS

A COMFORTING VIEW GIVEN SECRETARY OF STATE HENRY KISSINGER'S PERSONAL AND DIPLOMATIC INVESTMENT IN CHOU." BUT AS CAMPAIGN ROLLED ON, EVIDENCE MOUNTED THAT THE LEFT, AND PERHAPS MAO'S WIFE, WAS USING CAMPAIGN TO ENHANCE THEIR POSITION AND THAT CHOU AND HIS MODERATES WERE FINDING IT DIFFICULT TO CONTINUE. AS WESTERN CHINA-WATCHERS PORE OVER CHINESE PRESS FOR HINTS OF CHANGE, CHINA'S AMERICA-WATCHERS MAY WELL HAVE TAKEN RECENT RESTON COLUMN IN NYT AS INDICATIVE

OF CHANGE IN US ATTITUDE. RESTON WROTE LAST MONTH THAT ALTHOUGH CHOU REMAINED PM, HE SEEMED TO BE LESS PROMINENT NOW THAN BEFORE. ARTICLE SAID THAT HAK WAS MUCH TOO SHREWD AND EXPERIENCED TO MAKE POLICY WITH A MAN INSTEAD OF A COUNTRY AND THAT ALTHOUGH HAK HAD BEEN IMPRESSED WITH CHOU, CHOU SEEMED TO BE LOSING HIS INFLUENCE AND CHANGING HIS TUNE." TENG HSIAO-PING'S VISIT TO NY WAS, RESTON ARTICLE SUGGESTED, MAINLY TO SEE HAK. NOWADAYS, SAYS RESTON, MESSAGES FROM MAO TO WASHINGTON COME THROUGH "DIFFERENT ENVOYS," NO LONGER THROUGH CHOU. GREENWAY NOTES THAT CHOU IS A BORN SURVIVOR WHO HAS TRIED TO KEEP THINGS TOGETHER BY JOINING MAO'S POLITICAL MOVEMENTS IN TIME TO AVOID BEING OVERWHELMED. AT SAME TIME, HE MAY FEEL DANGEROUSLY EXPOSED, REMEMBERING FATE OF LIU SHAO-CHI AND LIN PIAO. HENCE, ALTHOUGH HIS NON-ATTENDANCE AT RECENT EVENTS WAS PROBABLY BECAUSE OF ILLNESS AND FATIGUE, HE ALSO MAY FEEL NEED TO INVOLVE MORE OF HIS COLLEAGUES IN THESE EVENTS IN ORDER NOT TO FEEL EXPOSED AND OUT IN FRONT DURING DIFFICULT TIMES.

20. VICTOR ZORZA RETURNS TO CHINA DEBATE WITH CONCLUSION THAT SOME PRC LEADERS BELIEVE CHINA MUST MOVE CLOSER TO AND RELY ON US ECON AND POLITICAL SUPPORT IN STRUGGLE AGAINST RUSSIA. OTHERS BELIEVE THIS IS ROAD TO CAPITALIST HELL, AND PRC MUST MODERATE ITS UNCLASSIFIED

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DISPUTE WITH USSR. SAYS US INTELLIGENCE SHOWS THERE HAS BEEN SURGE OF REQUESTS FROM FACTORY MANAGERS FOR IMPORTS OF FOREIGN EQUIPMENT WHICH HAS ALARMED PRC LEADERSHIP, WHICH KNOWS CHINA LACKS FUNDS TO SATISFY REQUESTS. US OFFICIALS ARGUE THAT PRC PROPAGANDA CAMPAIGN IS THEREFORE DESIGNED TO DAMP DOWN IMPORT DEMAND RATHER THAN STIMULATE HOSTILITY TO US. BUT IN PRESENT POWER STRUGGLE, DENUNCIATIONS OF REVISIONISTS, SAYS ZORZA, ARE AIMED AT CHOU EN-LAI. CITES RECENT ARTICLE ATTACKING HU SHIH AS DRAWING IMPLIED PARALLELS BETWEEN CAREERS OF BOTH MEN. AND AMONG REVISIONISTS UNDER ATTACK IS CHOU'S "CLOSEST ASSOCIATE" IN POLITBURO, REFORMED REVISIONIST TENG HSIAO-P'ING. TENG IS

PINPOINTED BY DESCRIPTION OF A BEGGAR FROM IMPERIALISTS WHO "TAKES PRIDE IN OWNING FOREIGN-MADE WALKING STICKS" (WP).

21. UPI NAIROBI (STLPD MAY 12) REPORTS CHINESE LABORERS AND ENGINEERS RACING AHEAD AT RECORD SPEED TO COMPLETE 1100-MILE RAILROAD LINKING ZAMBIA'S

COPPERBELT WITH INDIAN OCEAN. CITES TANZANIAN OFFICIALS AT DAR ES SALAAM RAILHEAD AS HOPING LINE WILL BE COMPLETED LATE THIS YEAR OR EARLY NEXT YEAR -WAY AHEAD OF SCHEDULE. WORK BEGAN ON NEARLY 500 MIL DOL RAILROAD IN 1970 AND COMPLETION DATE WAS TO BE 1976, USING UP TO 60,000 WORKERS AT TIMES. WESTERN DIPLOMATS WORRIED THAT PART OF THIS WORK FORCE WAS INDEED AN ARMY - MEMBERS OF PLA, BUT TANZANIANS AND ZAMBIANS SHRUG OFF SUCH SUGGESTIONS. THEY ARE GRATEFUL TO COUNTRY WHICH OFFERED TO FUND PROJECT AT TIME WHEN WESTERN INSTITUTIONS CALLED IT UNFEASIBLE AND REFUSED TO GRANT ANY LOANS. BOTH COUNTRIES WILL BEGIN TO REPAY INTEREST-FREE LOAN OVER 30-YEAR PERIOD BEGINNING 1983.

CAMBODIA

22. CDN'S LARRY GREEN (PHIL BULLETIN MAY 12) IN KOMPONG THOM CONDUCTS RANDOM INTERVIEW AMONG REFUGEES WHO FLED COMMUNIST-CONTROLLED AREAS. CITES REFUGEE UNCLASSIFIED

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THAT THE "KHMER ROUGE DID NOT TREAT US LIKE CAMBODIANS. THE KHMER ROUGE SAID NO ONE COULD GET MARRIED BECAUSE IT WAS BAD TO MAKE LOVE...WE COULD NOT RESPECT BUDDHISM... THEY...MADE MONKS WORK...WE COULD NOT KEEP WHAT WE GREW. THEY COLLECTED EVERYTHING AND PUT IT IN A COMMON STOCK." ANOTHER SAID "WE HAD NO LIBERTY. THEY DIDN'T ALLOW FAMILIES TO LIVE TOGETHER...EVERYBODY HAD TO WORK BUT THE SMALLEST CHILDREN. THE OLD MEN AND WOMEN TOOK CARE OF THEM." GREEN REMARKS THAT RIGID LIFE STYLE OF KHMER ROUGE IS APPARENTLY ALIENATING CAMBODIANS ACCUSTOMED TO MINIMAL WORK AND MAXIMUM LEISURE.

23. IN DISPATCH FROM PP (ATLANTA CONSTITUTION MAY 9), GREEN REPORTS GROWING DIPLOMATIC CONCERN THAT LON NOL GOVT WILL LOSE UN SEAT WHEN ITS CREDENTIALS ARE CHALLENGED IN VOTE NEXT FALL. NOTES THAT IN EFFORT TO BOLSTER THEIR RESPECTIVE POSITIONS, GKR AND GRUNK HAVE MOUNTED DIPLOMATIC OFFENSIVES. WHILE FM KEUKY LIM IS IN NY ATTEMPTING TO LINE UP VOTES, KHIEU SAMPHAN, ALLEGEDLY ONE OF THREE COMMUNIST REBELS SECRETLY EXECUTED BY SIHANOUK, TURNED UP

IN HANOI AND PEKING A FEW WEEKS BACK AND IS NOW MAKING ROUNDS IN AFRICA. SAMPHAN'S MOVE SEEN BY DIPLOMATIC OBSERVERS AS DUAL ATTEMPT TO INCREASE HIS INTERNATIONAL STATURE WHILE PROVING TO UN MEMBER NATIONS THAT REBELS DO HAVE LEADERSHIP WITHIN CAMBODIA. OTHER ANALYSTS SEE EMERGENCE OF SAMPHAN AS REBEL

ATTEMPT PUBLICLY TO UNDERMINE SIHANOUK. INFORMED DIPLOMATS SAY IF LON NOL GOVT WERE OUSTED FROM UN, US SUPPORT FOR REGIME WOULD NOT BE AFFECTED. HOWEVER, SOURCES BELIEVE OUSTER WOULD AFFECT RELATIONS BETWEEN GKR AND OTHER NATIONS WHICH NOW SUPPLY SMALL BUT IMPORTANT AMOUNTS OF AID. ANALYSTS ALSO BELIEVE OUSTER OF GKR AND RECOGNITION OF REBELS WOULD COMPLICATE EFFORTS TO NEGOTIATE SETTLEMENT, HARDENING INSURGENTS AGAINST COMPROMISE.

VIETNAM

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24. FURGURSON (PHILA BULLETIN MAY 12) RECALLS THAT 8 YEARS AGO WHEN ENEMY USED 120MM MORTARS TO ATTACK DA NANG, STORY MADE FRONT PAGE OF US PAPERS, BUT WHEN IN PAST WEEK ENEMY USED TANKS FOR FIRST TIME IN THE DELTA, STORY MADE 4 PARAS ON PAGE 18 OF WASHINGTON MORNING PAPER. MOST US PAPERS TOOK NO NOTICE OF EVENT. SAYS DIFFERENCE IS THAT AMERICANS ARE NO LONGER STATIONED IN VN AND IT IS WAR WE HAVE FORGOTTEN. CITES SECDEF AS MAKING POINT THAT WHEN WE WITHDREW FROM VN, "WE ARE NOT TOLD BY THE SOUTH VIETNAMESE, 'GIVE US THE TOOLS AND WE WILL DO THE JOB.' INSTEAD WE INFORMED THEM THAT WE WOULD GIVE THEM THE TOOLS AND THE MUNITIONS AND THEY WERE EXPECTED TO DO THE JOB." FURGURSON COMMENTS THAT WE HAVE AN OBLIGATION OF OUR OWN CREATION; THEY DEPEND ON IT IN GOOD FAITH AS THEY FIGHT ON HARDLY NOTICED; "TO HELP THEM IS A DEBT OF HONOR."

THAILAND

25. LAT'S FOISIE (PHINQ MAY 10) DOES FEATURE ON US-BUILT THAI MILITARY PORT AT SATTAHIP - A PROJECT WHICH COST MORE THAN 50 MIL DOLS. WITH INDOCHINA WAR ENDED, SATTAHIP SERVES MAINLY AS TRANSSHIPMENT POINT FOR MIL AND RELIEF SUPPLIES TO CAMBODIAN FANK AND PRO-GKR CIVILIANS. CITES HIGH-RANKING US ARMY OFFICER THAT EXPENSIVE MEKONG TRANSSHIPMENT ROUTE (VIA VN) IS REQUIRED BECAUSE OF INABILITY TO MOVE SUPPLIES THROUGH KOMPONG SOM; ROADS AND RAILROAD LEADING FROM KOMPONG SOM TO PP HAVE BEEN CUT BY KHMER INSURGENTS. MORE THAN 20,000 TONS OF AID GOODS AND AMMO MOVED BY BARGE FROM SATTAHIP

VIA THE MEKONG IN APRIL; SAME AMOUNT IN MARCH. DESPITE HAZARDS OF RIVER, ONLY TWO BARGES DESTROYED BY ENEMY FIRE SINCE RIVER-LIFT BEGAN, ACCORDING SOURCE. ENTIRE COST OF TUG AND BARGE OPERATION PAID BY USG, ALTHOUGH WORK PERFORMED UNDER THAI CONTRACTOR AND VESSELS ALL FLY FOREIGN FLAGS. NO ESTIMATE OF "DETOUR" SEALIFT COST AVAILABLE, BUT IT IS PART OF OVERALL US SUPPORT OF LON NOL GOVT - AN AID PROGRAM COSTING ALMOST 2 MIL DOLS DAILY. STEVEDORING AND STORAGE JOBS KEEP 2,000 US SOLDIERS BUSY. ARMY ALSO EMPLOYS 13,600 CAMBODIAN UNCLASSIFIED

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CIVILIANS TO PROTECT VAST STORAGE AREAS, AND AN ADDITIONAL 2,000 THAI SECURITY GUARDS ARE ON USA PAYROLL.

JAPAN

26. LAT'S JAMESON (MAY 10) IN TOKYO CITES FINMIN FUKUDA AS SAYING AT MAY 9 JAPAN NATIONAL PRESS CLUB LUNCHEON THAT JAPAN WOULD NEED 3 YEARS, "IF LUCKY," AND PROBABLY "FOUR OR FIVE YEARS" TO BRING ITS INTERNATIONAL PAYMENTS BACK INTO BALANCE. FUKUDA DECLINED TO PREDICT HOW MUCH TRADE SURPLUS JAPAN WOULD NEED TO BALANCE ITS OVERALL PAYMENTS AFTER SUFFERING 13 BIL DOLS DEFICIT IN FY 73. HE MAINTAINS THAT "A CERTAIN AMOUNT OF BLACK INK" IN TRADE WILL BE NECESSARY TO COVER DEFICITS CAUSED BY SUCH FACTORS AS TOURIST SPENDING, SHIPPING FEES, AND LONG-TERM CAPITAL OUTFLOW. BUT IF FIGURE GETS TOO BIG, THAT WOULD CAUSE PROBLEMS AGAIN. "YOUR COUNTRY," FUKUDA SAYS TO AMERICAN REPORTER, "WOULD BE AMONG THE FIRST TO START COMPLAINING AGAIN." QUOTES FUKUDA AS DECLARING THAT INTERNATIONAL PAYMENTS ISSUE IS EVEN MORE OF A PROBLEM FOR JAPAN THAN SKYROCKETING PRICES. HE SAYS THAT JAPAN WOULD BE ABLE TO PAY AN ADDITIONAL BILL FOR HIGHER COSTS OF IMPORTED OIL IN FY 74 OF 10 BIL DOLS ON THE HEELS OF ITS 13 BIL PAYMENTS DEFICIT LAST YEAR AND STILL CUT ITS OVERALL PAYMENTS DEFICIT TO ABOUT HALF, OR BETWEEN 6 AND 7 BIL. POINTS OUT THAT INTERNATIONAL INFLATION WOULD ALLOW JAPAN TO RAISE PRICES OF ITS EXPORTS TO COVER THE GAP. FUKUDA SAYS JAPAN'S PAYMENTS PROBLEM DICTATED SLOW-DOWN IN JAPAN'S GROWTH RATE TO LEVEL OF OTHER DEVELOPED COUNTRIES.

GENERAL

27. MARDER CITES IMPACT IN EA COUNTRIES OF PRESIDENT'S WATERGATE PREDICAMENT, AS REPORTED BY WP FOREIGN SERVICE. SAIGON BUREAU'S MCCOMBS REPORTS THAT THIEU "PALACE INTIMATES" WARNED HIM IN JANUARY THAT NIXON PRESIDENCY "WOULD PROBABLY END BY JUNE." CONCERN INTENSIFIED IN HIGH GVN CIRCLES LAST WEEK AS "FULL

IMPORT" OF WATERGATE TRANSCRIPTS BEGAN FILTERING
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THROUGH. MCCOMBS SAYS SVN'S CONCERN "IS DIRECT AND
SIMPLE": HOW WILL PRESIDENT'S FATE AFFECT ALREADY-
TROUBLED SUPPLY OF US AID THAT SUSTAINS SVN MILITARY
FORCES AND COUNTRY'S ECONOMY? SAYS THIEU ORDERED

TRAN KIM PHOUNG HOME FEW DAYS AFTER TRANSCRIPTS RELEASED
TO EXPLAIN THEIR IMPACT ON SVN AID PROSPECTS, AND
AMBASSADOR'S REPORT WAS BLEAK -- THERE IS GOOD CHANCE
PRES WILL BE IMPEACHED, AND THIS COUPLED WITH SORDID
IMPACT OF WHOLE WATERGATE AFFAIR, COULD CAUSE FURTHER
AID CUTS IN CONGRESS. MCCOMBS REPORTS WIDELY-SHARED
VIEW IN SAIGON THAT WATERGATE ALREADY HAS RENDERED
NIXON IMPOTENT CHAMPION OF SAIGON'S CAUSE IN CONGRESS.

IN HK, DAVID GREENWAY REPORTS THAT MOST ASIAN OFFICIALS
HE ENCOUNTERS ARE LESS TROUBLED ABOUT PRESIDENT'S
THREATENED OUSTER THAN THEY WERE NEARLY YEAR AGO,
BECAUSE THEY NOW BELIEVE HAK WILL CONTINUE IN OFFICE
AND FOREIGN POLICY WILL BE BASICALLY UNCHANGED.

OBERDORFER, IN TOKYO, REPORTS THAT SENIOR GAIMUSHO
OFFICIALS MET FRIDAY TO ASSESS LATEST WATERGATE
DEVELOPMENTS, WHILE FEW BLOCKS AWAY US EMBASSY "COUNTRY
TEAM" WAS TRYING ASSESS JAPANESE REACTION. QUOTES
ONE TANAKA STAFFER SAYING, "WE CAN'T QUITE FIGURE
OUT WHAT IS GOING ON. UNLESS YOU FOLLOW IT CLOSELY,
THERE ARE SO MANY THINGS -- TAX, TAPE, SPEECH, PRESS
CONFERENCE, PEOPLE MOVING OUT AND IN -- IT JUST SEEMS
SO HARD TO GRASP." RUSH

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<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 27 JUL 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, MILITARY BUDGET, WITHDRAWAL OF MEMBERSHIP, PARAMILITARY FORCES, TROOP REDUCTIONS, US CONGRESSIONAL PRESENTATIONS, PRESS CONFERENCES, TRUCE OBSERVERS, PEACE TALKS, AIRCRAFT ACCIDENTS, COMBAT OPERATIONS, WATERGATE
Control Number: n/a
Copy: SINGLE
Draft Date: 14 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE100216
Document Source: ADS
Document Unique ID: 00
Drafter: EA/P:STAFF:PP
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: D740119-0541
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740588/abbrzctj.tel
Line Count: 577
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ORIGIN EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 11
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: jordanll
Review Comment: n/a
Review Content Flags:
Review Date: 16 JUN 2005
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24 OCT 2002 by MorefiRH>; APPROVED <06 JAN 2003 by martinjw>; WITHDRAWN <13 Jun 2005 by BoyleJA, PRIVACY>; RELEASED <16 JUN 2005 by bryantcd>; APPROVED <16 JUN 2005 by jordanll>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MAY 14 EA PRESS SUMMARY
TAGS: PFOR, XC, US, CA, ICCS
To: SAIGON INFO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS
BIEN HOA
CAN THO
DANANG

HONG KONG
NHA TRANG
JEC PARIS
USSAGE
CINCPAC
COGARD
XMT SUVA

Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005